



6277

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Testimony on AAC Health Insurance Coverage for Small Employers: H.B. 6277
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Presented By: Stephen Karp, MSW, Executive Director

On behalf of the National Association of Social Workers, Connecticut chapter representing over 3400 members we thank the Insurance Committee for raising Bill 6277, which we support.

NASW/CT is a non-profit membership association and with six employees a small business. It is the policy of NASW/CT to offer all regular employees who work at least 20 hours per week coverage under the chapter's health insurance plan. However, under current statute we are denied the right to cover an employee under our group plan if the employee is working less than 30 hours per week. We currently have three part-time employees who work at least 30 hours a week however that has only been the case in the past few years. Previous to 2006 we always had at least one employee who was denied our group health insurance coverage **even though we as the employer were willing to cover them.** This simply makes no sense to us.

In the large employer market it is standard practice that if the employer offers health insurance that the threshold for eligibility is working at least 20 hours a week. It seems somewhat discriminatory to us that small businesses are held to a higher requirement. At a time when up to 400,000 residents of Connecticut lack health insurance and approximately 85% of those individuals are employed at least part-time I would think the State would want to be reducing barriers to coverage. H.B. 6277 does exactly that by allowing employers the **option** of covering part-time employees under an employer's group plan when that employee works at least 20 hours per week.

H.B. 6277 is NOT a mandate that small employers cover employee's health insurance. It simply gives small employers the ability to do so if they choose, at the same hours per week threshold that larger businesses typically use. It still allows insurers to rate the small business by gender and age and to set the premium rates. What H.B. 6277 does is expands the number of working people who are eligible for health insurance.

As a small business and non-profit we struggle to find and keep qualified employees. We cannot meet the salaries of larger businesses in the Hartford area but we are at least able to offer a competitive employee benefit program, including paying 85% of the employee's health insurance premium for eligible employees. Given the economy I am fearful that we may need to reduce employee work hours and if so this may take away an employee(s) current eligibility for health insurance. Should this happen there is an increased potential to lose a good employee.

H.B. 6277 expands health care coverage, creates a more even playing field between small and large businesses, allows small businesses to be more competitive in the job market, allows insurers to increase enrollees, and does all of this **at no cost to the State of Connecticut.** NASW/CT strongly urges the Insurance Committee to adopt the change that this bill makes.